

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#22 JUNE 7, 2011

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SACHI A. HAMAI
EXECUTIVE OFFICER

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community and university
partners*



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June 07, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO AGREEMENT TO CONDUCT PATIENT
SATISFACTION SURVEYS FOR RANCHO LOS AMIGOS NATIONAL
REHABILITATION CENTER
(4th DISTRICT)
(3 VOTES)**

SUBJECT

Request approval of an amendment to extend the term of an Agreement with National Research Corporation for the provision of patient satisfaction survey services.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 2 to Agreement No. H-704015, with National Research Corporation (NRC), effective upon execution, to extend the term for the period of July 1, 2011 through June 30, 2012 for the provision of patient satisfaction survey services at Rancho Los Amigos National Rehabilitation Center (RLANRC), with an annual maximum obligation of \$34,371.
2. Delegate authority to the Director, or his designee, to increase the maximum contract obligation by no more than 20 percent, or a total of \$6,874, in the event additional surveys are required to be mailed as a result of increased patient population, subject to review by County Counsel, and notification to your Board and the Chief Executive Office.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow the Director to execute an amendment, substantially similar to Exhibit I, to ensure that patient satisfaction surveys are appropriately conducted, as required by the Centers for Medicare and Medicaid Services' (CMS) regulations.

CMS regulations require hospitals to report data using the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) survey, which provides a standardized survey instrument and data collection methodology for measuring of all patients' perspectives on hospital care and enables valid comparisons to be made across similar hospitals nationwide. The regulations specify that, effective July 1, 2007, Medicare payment rates will be reduced by 2.0 percentage points for any hospital that does not submit the required quality data.

Since RLANRC is a rehabilitative facility, CMS requires two separate surveys to be conducted: one for rehabilitation inpatients and the other for medicine surgery inpatients. Under the Agreement, NRC conducts the two separate surveys for Inpatient Rehabilitation and Medicine/Surgery patients for Rancho and will sample patients proportional to the number of unit admissions per year. Survey results are compiled into a variety of monthly and quarterly reports that include, but are not limited to, demographic profiles of respondents and analyses of responses by questionnaire sections. These reports provide the Department of Health Services (DHS) with information for improving patient care, customized reporting for compliance with HCAHPS requirements, and benchmarking information against other similar healthcare providers in the nation.

Approval of the second recommendation will enable DHS to increase the maximum obligation of the Agreement by 20 percent in the event additional services or reports need to be obtained from NRC during the term of the Agreement. Board Policy 5.120 generally limits departments from increasing Board-approved contracts more than 10 percent of the contract amount. However, since the contract amount is relatively small, DHS believes that the requested 20 percent is appropriate to handle any additional services needed due to unanticipated increases in patient population.

Implementation of Strategic Plan Goals

The recommended actions support Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total annual maximum obligation is \$34,371. Funding for this Amendment is included in the RLANRC's Fiscal Year 2011-12 Recommended Budget. Any increased cost resulting from DHS's use of delegated authority will be funded using existing resources. NRC is compensated on a fixed-cost basis that includes the printing, mailing, and compilation of surveys for an estimated 4,000 discharged patients per year. If the targeted amounts of completed surveys are not met by NRC by the end of the fiscal year, NRC will refund the County for the difference.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

RLANRC initially obtained a purchase order in July 2, 2006 to begin the process of implementing the

CMS requirements. When the purchase order had reached statutory limits, DHS obtained your Board's approval to enter into a Sole Source Agreement with NRC for the period of July 1, 2009 through June 30, 2011. DHS did not request a longer term due to the uncertainty about Rancho's continuation as a DHS facility.

NRC is familiar with the demographics and other characteristics of the patient population. NRC reviews discharged patient information from RLANRC staff and sends surveys to each patient within two weeks of discharge. NRC transcribes/translate, as necessary, comments from patients and submits monthly reports to CMS and quarterly Summary Action Plan Reports to RLANRC staff. The other DHS facilities, Harbor-UCLA, Olive View-UCLA, and LAC+USC Medical Centers, use Press Ganey to conduct patient satisfaction survey services. In addition to meeting CMS regulations, NRC provides the data requested by the California Hospital Assessment and Reporting Taskforce (CHART), a public report card for California hospitals that DHS participates in.

Board approval of this Amendment will enable the DHS to continue to comply with CMS regulations and obtain the required patient satisfaction survey results for one year. This will allow RLANRC to continue with uninterrupted survey services and will provide RLANRC with time to determine whether Press Ganey could perform RLANRC's surveys at a lower cost than NRC. Press Ganey currently provides this service for the other County hospitals.

The Agreement includes all of the current Board-mandated provisions and may be terminated by either party with the provision of 30 days' prior written notice.

DHS has determined that this is not a Proposition A agreement and therefore not subject to Proposition A guidelines, because the services are intermittent in nature and require highly specialized and technical survey methodology and data analysis.

County Counsel has approved Exhibit I as to use and form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this Amendment will ensure RLANRC's continued compliance with CMS regulations.

The Honorable Board of Supervisors

6/7/2011

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is written in a cursive, flowing style.

Mitchell H. Katz, M.D.

Director

MHK:ev

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

**CONTRACT
BY AND BETWEEN
THE COUNTY OF LOS ANGELES
AND NATIONAL RESEARCH CORPORATION
FOR PATIENT SATISFACTION SURVEY SERVICES**

Amendment No. 2

Agreement No. H-704015

WHEREAS, reference is made to that certain document entitled "Contract By and Between County of Los Angeles and National Research Corporation for Patient Satisfaction Survey Services", dated July 1, 2009 and further identified as County Contract No. H-704015 (hereafter referred to as "Contract"); and

WHEREAS, it is the intent of the parties hereto to extend the term of the Contract; and

WHEREAS, the Contract provides that changes may be made in the form of a written Amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective upon execution.
2. Paragraph 4.0, TERM OF CONTRACT, Sub-paragraph 4.1, shall be deleted in its entirety and replaced by the following:

"4.1 The term of this Contract shall be effective July 1, 2009 through June 30, 2012, unless sooner terminated, as provided in this Contract."

3. Paragraph 5.0, CONTRACT SUM, sub-paragraphs 5.1, shall be deleted in its entirety and replaced by the following:

" 5.1 During the term of this Agreement, the maximum annual obligation of the County for Contractor's performance hereunder shall not exceed Thirty-Four Thousand Three Hundred and Seventy-One Dollars (\$ 34,371). The Director or

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his designee has authority to increase the maximum contract obligation by no more than 20 percent or a total of \$6,874, subject to review by County Counsel, and notification to CEO and your Board in the event additional surveys are required to be mailed as a result of increased patient population.”

4. Paragraph 5.5, Invoices and Payments, sub-paragraphs 5.5.1 and 5.5.2, shall be deleted in its entirety and replaced by the following:

“5.5.1 The Contractor shall invoice the County only for providing the task, deliverables, goods, services, and other work specified in Exhibit A-Statement of Work and Exhibit B-Fee Schedule and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor’s payments shall be Two Thousand Eight Hundred Sixty-Four (\$2,864) per month, and the Contractor shall be paid only for the task, deliverables, goods, services, and other work approved in writing by the County. If Contractor does not reach the targeted amount of 1,206 surveys, the Contractor will refund County for the difference at the rate of \$28.50 per survey. **If additional surveys are returned that exceed the 1,206 return targets, County will pay up to the 20 percent amount as stated above (paragraph 5.1).** If the County does not approve work in writing no payment shall be due to the Contractor for that work.

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BY AND BETWEEN
THE COUNTY OF LOS ANGELES
AND NATIONAL RESEARCH CORPORATION
FOR PATIENT SATISFACTION SURVEY SERVICES**

Amendment No. 2

Agreement No. H-704015

- 5.5.2 The Contractor's invoices shall contain the information set forth in Exhibits A – *Statement of Work* and Exhibits B – *Fee Schedule* describing the tasks, deliverables, goods, services, and facility and/or other work for which payment is claimed.”
5. Exhibit A, “Statement of Work” shall be deleted in its entirety and replaced by the new Exhibit A, attached hereto and incorporated in the Agreement by reference.
6. Exhibit B, “Fee Schedule” shall be added to Agreement, attached hereto and incorporated in the Agreement by reference.

EXCEPT AS EXPRESSLY PROVIDED IN THIS AMENDMENT, ALL OTHER TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

COUNTY OF LOS ANGELES

By _____
Michell H. Katz, M.D.
Director of Health Services

NATIONAL RESEARCH CORPORATION
Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM:
BY THE OFFICE OF THE COUNTY COUNSEL

National Research Corporation
Statement of Work
2011 - 2012

Patient Experience Surveys

1. Contractor to print, mail, and handle the surveys of an estimated 4,000-4,500 discharged patients per year. Contractor will prepare two separate surveys. One survey will be for Inpatient Rehabilitation and the second survey will be for Medicine/Surgery patients (non-rehabilitation patients). Contractor will sample patients proportional to the number of unit admissions per year.
2. An outgoing envelope and a “business reply envelope” is included as part of the mailing, as well as postage for outgoing and incoming mail.
3. Contractor shall provide cover letters and surveys in English and Spanish. Spanish cover letters and surveys shall be provided at no additional cost.
4. Contractor to develop experience or behavior type survey questions that are written at a 6th grade level. Survey for the Med/Surg patients must incorporate the Hospital Consumer Assessment of Health Providers and Systems (HCAHPS) initiative, sponsored by Centers for Medicare and Medicaid Services (CMS). Note: HCAHPS is applicable only to Medicine/Surgery inpatients and 22 required HCAHPS questions are incorporated into the Medicine/Surgery survey tool.
5. Contractor to obtain electronic file of discharged patient information from RLANRC and sends surveys to each patient within two weeks of discharge.¹
6. Contractor will generate a second survey for 100% of non respondents after 2 weeks. Contractor to provide second wave survey services sufficient to meet, but not exceed contracted hospital participation requirement, as outlined by HCAHPS initiative, sponsored by CMS.
7. Volumes and Targeted Returns evaluated quarterly by contractor.
8. Upon receipt of the patient-completed experience surveys, Contractor will perform all of the data entry, quality control and analysis using computer software designed specifically for that purpose.

National Research Corporation
Statement of Work
2011 - 2012

Contractor will transmit HCAPHS data to CMS on a monthly basis as required for entering in CMS hospital compare website. Hospital will be notified when HCAPHS data is ready for review.

9. Contractor shall compile results, present reports with appropriate statistical display, benchmarking and comparison with other hospitals and specifically other rehabilitation hospitals.
10. Contractors to provide access to NRC+Picker's Catalyst Spotlight, Picker Patient experience reporting and web access tool. Through Catalyst, Contractor will provide access to monthly conferences offered via web meeting to provide opportunity to access to industry experts specializing in patient care and quality issues. These Catalysts Spotlight reports cover the eight Picker Principles of Patient-Centered Care.
 - A. Coordination and Integration of Care
 - B. Continuity and Transition
 - C. Emotional Support & Alienation of Fear and Anxiety
 - D. Information, Communication and Education
 - E. Involvement of Family and Friends
 - F. Physical Comfort
 - G. Respect for Patient Preferences, Values and Expressed Needs
 - H. Access to Care

Contractor to provide reports which are available electronically through email and over the Internet through a secured transmission procedure that requires both a client number and a password to access.

11. Contractor to provide custom reports featuring specialized analysis of RLANRC data. Example: comparison by patient unit of scores for Patient Experience with service provided by specific therapy modalities or provide reports by patient units and/or services such as Medicine, Surgery, Rehabilitation Services, Stroke, Spinal Cord Injury, Neuro and Adult Brain Injury.
12. Contractor to provide at no additional charge, an electronic file of all raw patient data collected or processed by Contractor on RLANRC patients, on a quarterly basis. This excludes open ended responses.
13. Reports to be dispatched within 25 days following the end of the reporting period. The reports are dispatched electronically to specified managers. Contractor to notify by e-mail when reports are ready for review on the password protected website.

EXHIBIT A

National Research Corporation
Statement of Work
2011 - 2012

14. Contractor will provide access to data in the data in Action Plan format as requested:
 - A. Executive Summary Report - Summarizing key changes in results from last reporting period and focusing on priorities for improvement.
 - B. Key Analysis Report - Including changes from period to period, Percentile Ranking, Correlations, Priorities, Unit/Location comparisons.
 - C. Electronic Report - In color
 - D. Modular Report - Individual pages/sections may be pulled out and distributed.
15. Contractor to provide Internet capability and on-line analysis to be accessible 24 hours/7 days a week via password and allow users to manipulate the data and to develop their own unique eReports. Data has no patient identifiers.
16. Contractor shall provide technical support to assist staff to understand and use the data; provide networking with "best practice" facilities; provide local state and national comparisons and on-line access to data and surveys.
17. Contractor will also provide an HCAHPS action plan that presents adjusted patient experience data in the HCAHPS dimensions according to CMS guidelines.
18. Contractor to provide benchmarking with other like rehabilitation providers, public hospitals and with Contractor clients currently receiving reports.
19. Contractor to provide additional benchmarking upon request by customized peer groups by:
 - A. Bed size
 - B. Volume
 - C. Region
 - D. Freestanding facility
 - E. Specialty
 - F. Profit/not-for-profit
 - G. Health System
20. Contractor to provide benchmarking information by Diagnosis-Related Group (DRG) and Major Diagnostic Category (MDC). All data files received for the HCAHPS project will contain DRG information. This information will be made available to facility.
21. Contractor to provide free, unlimited telephone consultation with clients through toll free numbers. Customer service staff to be available Monday through Friday, 8:00 a .m. - 8:00 p.m. PST, to discuss questions, suggests special reports and help interpret data, through the designated RLANRC contact person.

National Research Corporation
Statement of Work
2011 - 2012

22. Contractor to provide free on-site training sessions as needed by RLANRC.
23. Contractor to provide a copy of the Contractor's Client Reference Manual, for use as quick reference by clients regarding aspects of implementing services and as an ongoing resource for commonly asked questions.
24. Contractor to provide a monthly newsletter offering information about using the surveys, interpreting the data, non-response bias, goal setting, answering questions and highlighting the use of patient experience survey data in performance improvement programs. Copies to be sent to RLANRC contact and additional copies to be available for internal distribution. Information to be provided in formats such as teleconferences, webinars and inhouse training.
25. Contractor will make patient comments available. The patient comments (eComments) will be downloaded weekly and can be accessed 24/7 via the password protected website with no patient identifiers. Exception is for "Service Alerts." Comments will be transcribed by NRC and posted within 48 hours of receipt. All comments will be separated by an NRC coder into urgent and non-urgent categories upon receipt of the completed survey. Urgent comments will be defined prior to RLANRC implementation and include identification of key terminology (e.g. adverse reactions to medications, etc.) An urgent comment will be immediately typed verbatim and coded by topic area (nursing, food services, emotional support, etc.), as well as valence (positive, negative, neutral). The designated contact will be sent an e-mail notification of the "service alert" (urgent comment) containing a link to the comment. The patient's survey results, verbatim comment, and other information (age, Medical Record Number (MRN), unit, etc.) will be available via the link. These comments will be posted to the eComments website within 24 hours of receipt. Non-urgent comments will be keyed within 48 hours of survey receipt and coded by categories easily understood and acted upon. A comment report will be available through eComments.
26. Contractor to provide a user group of health system clients and hold regular scheduled conference calls to share ideas, conduct mutual problem solving, discuss trends and network around best practices.
27. Contractor to provide consulting services to recommend needed changes to help answer the difficult questions Such as: Where do we need to go? What is our service vision? How do we maximize our competitive advantage?
28. Contractor to provide website with extensive on-line information to include but not

National Research Corporation
Statement of Work
2011 - 2012

limited to: products, online reports, news, research and development, success stories, Value Added Services, accreditation news, published articles and consulting on line survey.

29. Contractor to provide free on-site training sessions as needed by RLANRC.
30. Contractor to conduct a variety of research studies and new product development projects, as requested by clients. Summaries of the research projects to be available through the Contractor's website.

CG:cb ev5/13/11

Fee Schedule
Rancho Los Amigos National Rehabilitation Center
Effective July 1, 2011 through June 30, 2012

Exhibit B

Facility	Service Line	Sample Unit	2011-2012 Estimated Sent Surveys+	2011-12 Targeted Returns*
RLANRC	Inpatient	101		46
RLANRC	Inpatient	102		270
RLANRC	Inpatient	904/905		246
RLANRC	Inpatient	902		188
RLANRC	Inpatient	903		26
RLANRC	Inpatient	3North		33
RLANRC	Rehab	1North		107
RLANRC	Rehab	1South		77
RLANRC	Rehab	2South		6
RLANRC	Rehab	3Shouth		85
RLANRC	Rehab	2North		122
Total			4,000-4,500	1,206

*2011-2012 Targets based on estimated patient volumes

+Estimated Sent Surveys based on 2011-2012, Targeted Returns and historical response rates. Does not take into account Second Wave mailing.

Second wave mailings will be 100% of non-reponses from the first wave.

Price Breakdown	2011-12
Total Returns	1,206
Price per Targeted Return	\$30.00
Contract Value	\$36,180
Total Discount	\$1,809
Total Contract Value	\$34,371

Note: Payments are made for Targeted Returned surveys only. Spanish survey will not be at any additional cost.

Volumes and Targeted Returns to be evaluated annually, if target Returns are not reached, NRC will refund County for the difference at the rate of \$28.50 per survey. (\$34,371/1206= \$28.50)